McGuireWoods CONSULTING

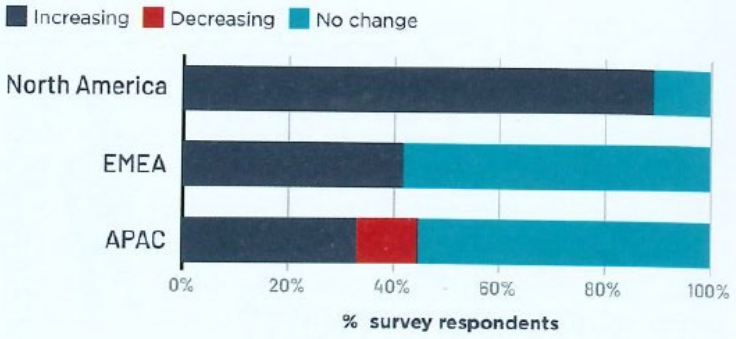
# Mobility and Economic Development

Christopher D. Lloyd, SVP and Director, Infrastructure and Economic Development

The Transit Alliance of Middle Tennessee - October 30, 2025

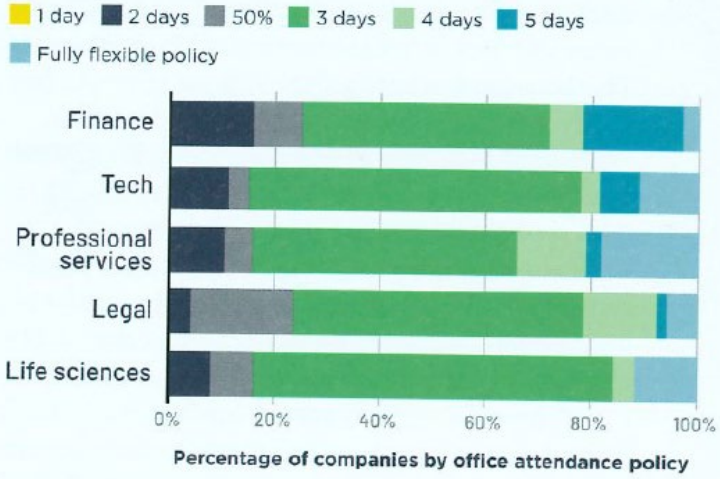
# RETURN TO OFFICE IS REAL

## Do you expect to see employers increasing or decreasing office daily attendance mandates in the next 12 months?

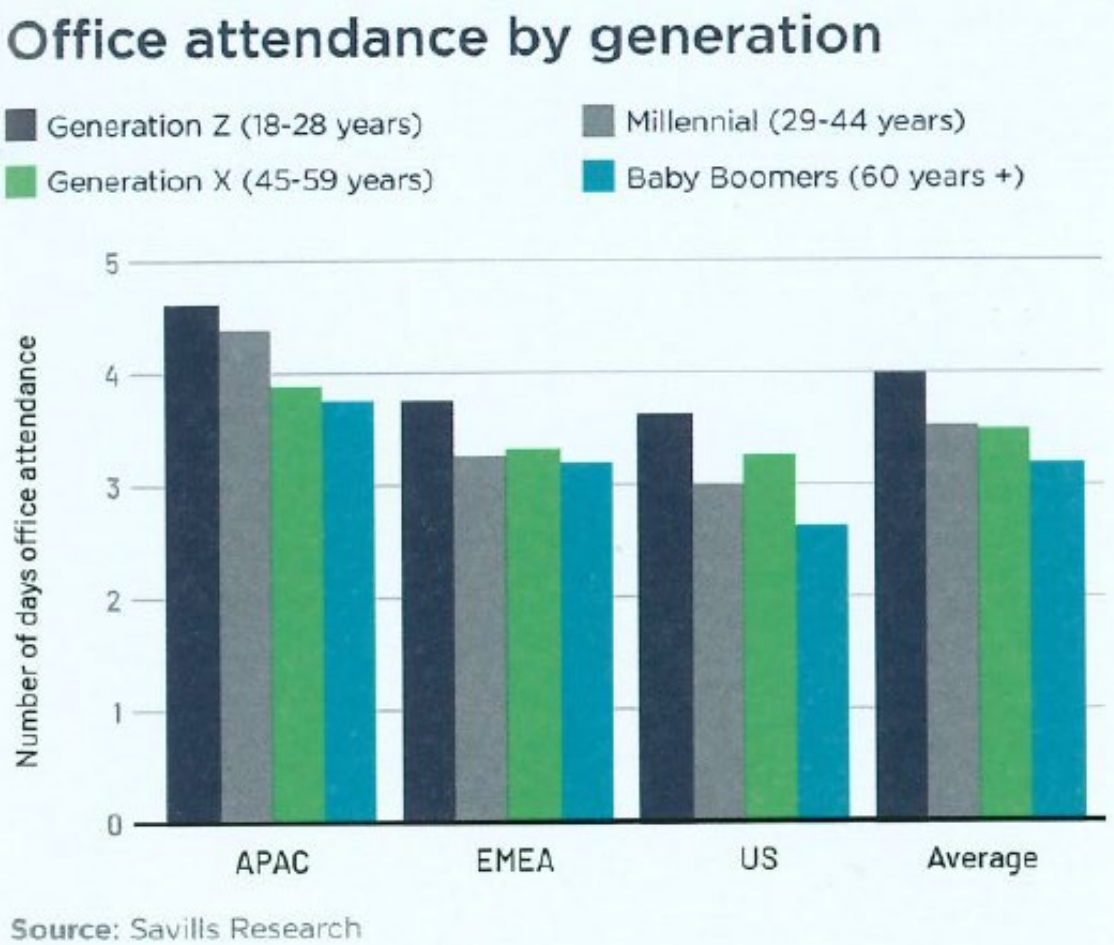



**Source:** Savills Research, survey of global network

## Office attendance mandates by sector




**Source:** Savills Research using company announcements.


Office attendance by generation
Generation Z (18-28 years)
Millennial (29-44 years)
Generation X (45-59 years)
Baby Boomers (60 years +)
Number of days office attendance
5
4
3
2
1
0
APAC
EMEA
US
Average
Source: Savills Research

## Office Projects: Agreement with Statements on Office Space

(1 = don't agree, 5 = completely agree)

THE WALL STREET JOURNAL.

WSJ. MAGAZINE

# Jamie Dimon Wants Everyone in the Office. Is a $3 Billion Building the Answer?

The CEO of JPMorgan Chase spent six years putting his stamp on a shiny new headquarters, a skyscraper that he hopes will revive the glory of the office.

# CAPITAL INVESTMENT IS BOOMING

Reuters

World Business Markets Sustainability Legal More

# Eli Lilly to make weight-loss pill in new $6.5 billion Texas plant

By Patrick Wingrove

September 23, 2025 5:57 PM EDT · Updated September 23, 2025

Hanwha

# AstraZeneca announces $4.5 billion pharmaceutical plant in Albemarle County

Company's largest facility worldwide will bring 600 permanent jobs to Route 29 corridor

Whirlpool CORPORATION

24/7 Live

BUSINESS

# JetZero to build manufacturing facility in NC, create more than 14K jobs; investment of $4.7B

By Michael Perchick

Thursday, June 12, 2025

OHIO CAPITAL JOURNAL

COMMENTARY CIVIL RIGHTS POLITICS & GOV HEALTH CARE EDUCATION PUBLIC CORRUPTION

AXIOS Phoenix News Things to Do Politics Food and Drink Real Estate •••

3 hours ago - News

# TSMC eyes more Arizona land to grow semiconductor "gigafab"

Jessica Boehm

STELLANTIS

UNCATEGORIZED

# Gov. DeWine lands biggest jobs deal in Ohio history with defense company Anduril's new plant

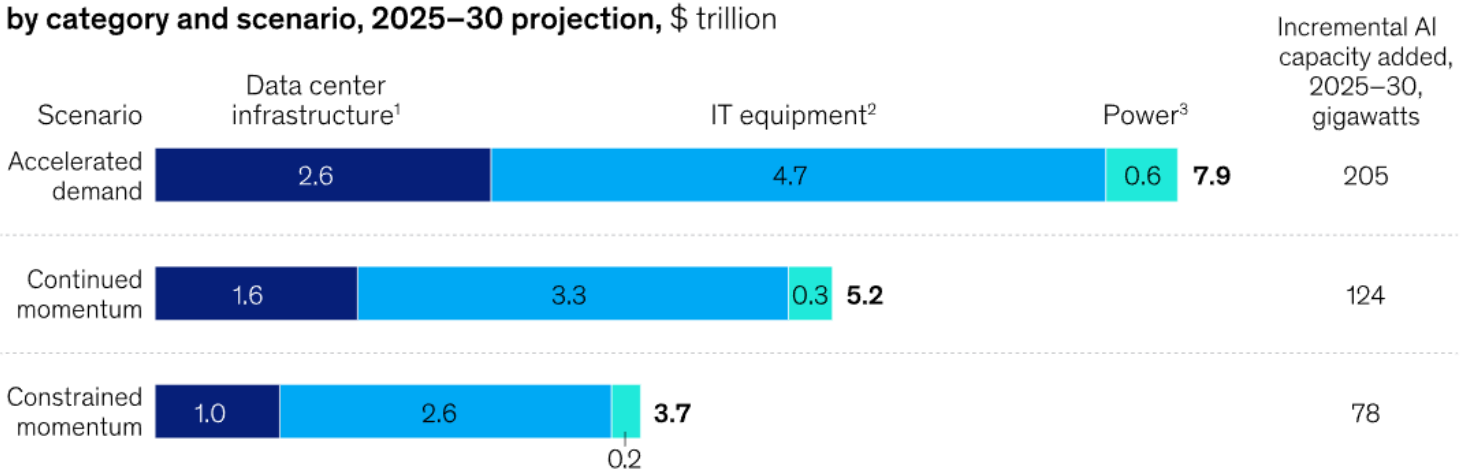
It's not clear yet how much officials promised the company in incentives

BY: NICK EVANS - JANUARY 16, 2025 5:25 PM

McGuireWoods CONSULTING

## Capital investments to support AI-related data center capacity demand could range from about $3 trillion to $8 trillion by 2030.

**Global data center total capital expenditures driven by AI, by category and scenario, 2025–30 projection,** $ trillion




Note: Figures may not sum to totals, because of rounding.
[1]Excludes IT services and software (eg, operating system, data center infrastructure management), since they require relatively low capex compared with other components.
[2]Includes server, storage, and network infrastructure. IT capex also accounts for replacing AI accelerators every 4 years.
[3]Assumes $2.2 billion–$3.2 billion/gigawatt (including power generation and transmission cost) to account for a range of power generation scenarios (eg, fully powered by gas, a combination of gas power and storage, and solar) and regional cost differences. Distribution cost is neglected, as most AI centers are expected to be >50 megawatt scale and connected to a transmission grid.
Source: McKinsey Data Center Capex TAM Model; McKinsey Data Center Demand Model

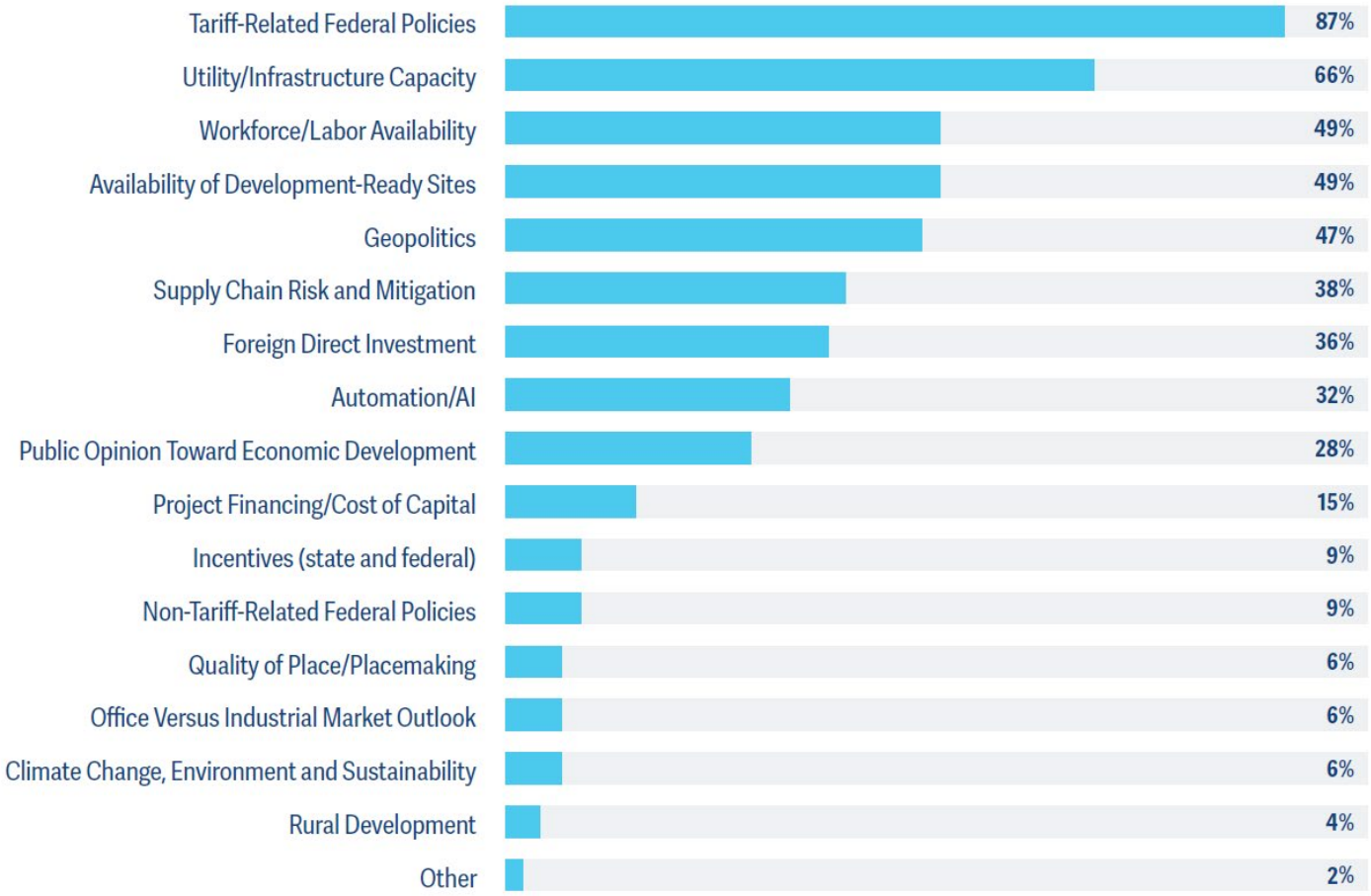
McKinsey & Company

# OBBBA – Pro-Growth Provisions

- Immediate expensing of capital investment, even for real property through 2029
- Increase R&D deductions
- Enhanced deductibility of corporate debt
- Opportunity Zone enhancements (with special emphasis on rural America)

# IN CHAOS THERE IS OPPORTUNITY

The Top Factors Impacting the Site Selection Industry During 2025



Reciprocal Tariffs
Country
Tariffs Charged to the U.S.A.
U.S.A. Discounted Reciprocal Tariffs
China 67%
European Union 39% 20
Vietnam 90% 46%
Taiwan 64% 32%
Japan 46% 24%
India 52% 26%
South Korea 50% 25%
Thailand 72% 36%
Switzerland 61% 31%
Indonesia 64% 32%
Malaysia 47% 24%
Cambodia 97% 49%
United Kingdom 10% 10%
South Africa 60% 30%
Brazil 10% 10%
Bangladesh 74% 37%
Singapore 10% 10%
33% 17%
34% 17%
10% 10%
10% 10%
58% 29%
10% 10%
88% 44%
10% 10%
SEAL OF THE PRESIDENT OF THE UNITED STATES

# Executive Orders

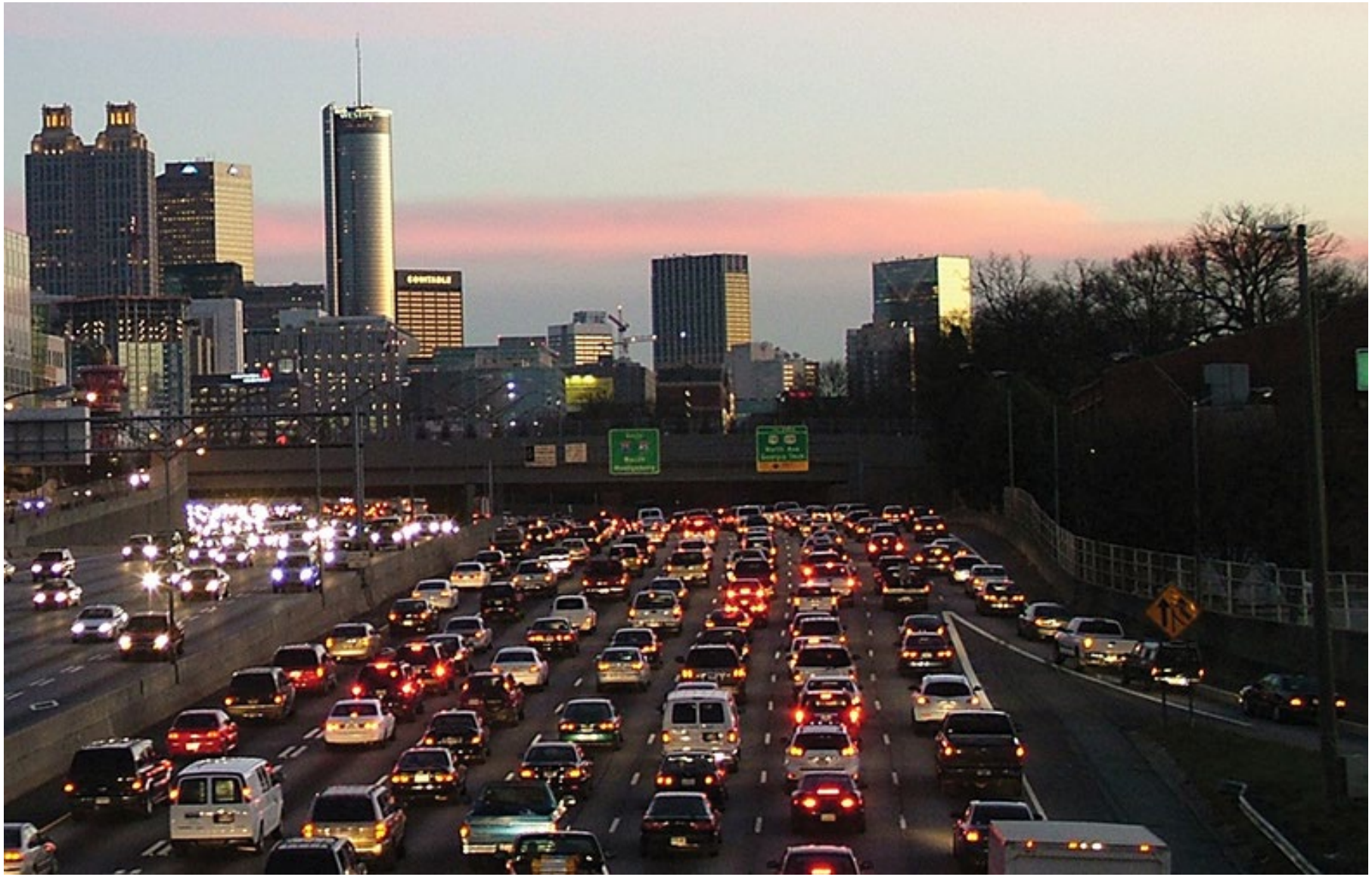
- Executive Order 14264 – Maintaining Acceptable Water Pressure in Showerheads

"I like to take a nice shower to take care of my beautiful hair," President Donald Trump said upon signing the order. "I stand under the shower for 15 minutes until it gets wet. It comes out drip, drip, drip. It's ridiculous."

# Executive Orders with Economic Development Opportunities

- Executive Order 14179 – Removing Barriers to American Leadership in Artificial Intelligence
- Executive Order 14278 – Preparing Americans for High-Paying Skilled Trade Jobs of the Future – expand apprenticeships and streamline/align federal workforce training programs
- Executive Order 14269 – Restoring America's Maritime Dominance – invest in maritime industrial base and block Chinese shipping
- Executive Order 14255 – Establishing the United States Investment Accelerator – orders federal agencies to speed permits for economic development projects valued at over $1 billion
- Executive Order 14307 – Unleashing American Drone Dominance – promote domestic UAV and eVTOL production and reduce regulatory barriers
- Executive Order 14304 – Leading the World in Supersonic Flight – regulatory reform and increased R&D investment
- Executive Order 14302 – Reinvigorating the Nuclear Industrial Base – regulatory reform, workforce investment, and accelerate plant construction

# SO HOW DOES THIS IMPACT MOBILITY?



8492
SON
HVAC
ROAD RANGER PATROL
DIAL *F P (347)
FREE TO MOTORISTS
SPONSORED BY
State Farm

# TRANSIT HAS AN IMAGE PROBLEM

Disney · PIXAR
Cars
95
Life Is a Highway

HIWATT

OZZY OSBOURNE
TALES FROM THE
CRAZY TRAIN

# CARS ARE NOT THE ENEMY, CONGESTION IS!

# Winning Strategies

- Clearly identify the threats caused by congestion and the opportunities created by solving it
- Embrace “all of the above” strategies for solving congestion challenges
- Ensure that solutions are hyper-local
- Successful regional strategies have both road and transit solutions
- Cobble together various funding streams instead of looking for a silver bullet

# TAKE THE GUESSWORK OUT OF SOLUTIONS

# Winning Strategies

- Political polling and surveys to test voter attitudes and seek winning messages around solutions
- Continuously seek public input and feedback on proposed projects
- Convene an employer panel to look for creative solutions to congestion (more ride sharing, staggered hours, subsidies, alignment of hybrid work schedules)

WPTV

MONEY > CONSUMER

# West Palm Beach Coalition offers big incentives to employers to help fight traffic congestion

WPTV's Hollani Davis spoke with the executive director of WPBgo and organizations who are participating in the competition

# BUILD TRUST

6 minutes

dreamstime

# Winning Strategies

- Commitment by public bodies to full transparency on how project decisions are made
- Create an “accountability” commission with oversight of projects
- Any funding programs must be linked to specific projects, not a generic platform to “reduce congestion” or “expand roads”
- Create a scoring rubric to rank projects using objective criteria
- Be willing to admit mistakes and move on

# EMBRACE ALTERNATIVE FUNDING AND PROCUREMENT IDEAS

## NEW YORK

**The proximity premium**
How walking distance from a transport hub affects prime office rents

**Source:** Savills Research

# Winning Strategies

- Increase density around transit nodes
- Explore public-private partnerships that appropriately share project risk
- Enact tax increment financing/overlay structures to capture value created by new transportation nodes

# BUSINESS COMMUNITY LEADERSHIP IS ESSENTIAL

# Questions or Comments?